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BOARD MEETING
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD

TENAYA LODGE
1122 HIGHWAY 41
FISH CAMP, CALIFORNIA

WEDNESDAY, MAY 23, 2001

11:00 A.M.

JAMES F. PETERS, CSR, RPR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

BOARD MEMBERS

Linda Moulton-Patterson, Chairperson

Dan Eaton

Steven R. Jones

Jose Medina

Michael Paparian

David A. Roberti

STAFF

Bonnie Bruce, Interim Executive Director

Karin Fish, Chief Deputy Director

Kathryn Tobias, Chief Counsel

Mark Leary, Deputy Director

Julie Nauman, Deputy Director

Rubia Packard, Deputy Director

Pat Schiavo, Deputy Director

Eric Bissinger

Mark de Bie

Martha Gildart

Howard Levenson

Deborah McKee, Executive Secretary

Mark Miiler

Yvonne Villa, Executive Secretary

Scott Walker

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1 PROCEEDINGS

2 CHAIRPERSON MOULTON-PATTERSON: I'd like to call
3 the meeting back to order. Would the Secretary please
4 call the roll.

5 SECRETARY VILLA: Eaton?

6 BOARD MEMBER EATON: Still present.

7 SECRETARY VILLA: Jones?

8 BOARD MEMBER JONES: Here.

9 SECRETARY VILLA: Medina?

10 BOARD MEMBER MEDINA: Present.

11 SECRETARY VILLA: Paparian?

12 BOARD MEMBER PAPARIAN: Here.

13 SECRETARY VILLA: Roberti?

14 Moulton-Patterson?

15 CHAIRPERSON MOULTON-PATTERSON: Here.

16 And maybe we didn't need to do that again. Oh,
17 well. Mr. Eaton ex partes?

18 BOARD MEMBER EATON: I have two, Jim Hemminger
19 last evening, general waste issues and Jim Greco, general
20 waste issues as well.

21 CHAIRPERSON MOULTON-PATTERSON: Thank you.

22 Mr. Jones.

23 BOARD MEMBER JONES: Mr. Skinner from CUP's for
24 use in compost and I think that's it.

25 CHAIRPERSON MOULTON-PATTERSON: Mr. Medina?

1 BOARD MEMBER MEDINA: None to report.

2 CHAIRPERSON MOULTON-PATTERSON: Mr. Paparian.

3 BOARD MEMBER PAPARIAN: None, although I think we
4 all got a letter. Do you want to ex parte it for all of
5 us?

6 CHAIRPERSON MOULTON-PATTERSON: You can go ahead
7 and ex parte it from Robert Nelson is that the one you're
8 talking about?

9 BOARD MEMBER PAPARIAN: Right. Riverside County
10 Waste Management Department, Robert Nelson, regarding
11 Agenda Item 26.

12 CHAIRPERSON MOULTON-PATTERSON: For all board
13 members.

14 Thank you, Mr. Paparian, and I have none. I
15 spoke with a lot of people last night at the lovely
16 reception Mariposa County had for us, but it was all
17 social no issues.

18 BOARD MEMBER EATON: How did you luck out?

19 CHAIRPERSON MOULTON-PATTERSON: I don't know.

20 (Laughter.)

21 CHAIRPERSON MOULTON-PATTERSON: We're all back in
22 place and, Ms. Nauman, were we on --

23 DEPUTY DIRECTOR NAUMAN: Item 17.

24 CHAIRPERSON MOULTON-PATTERSON: Seventeen, thank
25 you very much.

1 DEPUTY DIRECTOR NAUMAN: Board Members, Julie
2 Nauman Permitting and Enforcement Division.

3 Item 17 is a Discussion of and Request for
4 Direction on Bureau of State Audits Report Recommendation
5 Regarding Legislation to Streamline the Current Process
6 for Imposing Civil Penalties. This is the first time that
7 you'll be discussing these particular recommendations, an
8 then we'll be looking to bring that item back to you next
9 month or the following month for consideration.

10 Given the hour an the day and the number of items
11 we still have, we're going to do our best to keep our
12 presentation on these items very brief and allow you to
13 direct your questions to us to those areas you are most
14 concerned about.

15 So with that, I'll turn it over to Scott Walker.

16 CHAIRPERSON MOULTON-PATTERSON: Thank you.

17 MR. WALKER: Good morning, Madam Chair, members
18 of the Board. Recommendation ten of the audit report
19 states that the Board should seek legislation to
20 streamline the current process for imposing civil
21 penalties. And, again, the purpose of this item is to
22 provide an opportunity for discussion and also for the
23 Board to direct staff regarding the response to the audit
24 reports recommendations. And then based on the direction,
25 staff would bring forth an item for consideration and

1 that's currently schedule for June.

2 The current process for imposing civil penalties.

3 The overall process we provided as an attachment to this
4 agenda item, and this was presented to the Board, the
5 overall enforcement process, including the civil penalties
6 in April of 2000, and that was included as an attachment.

7 Basically, in summary administrative civil
8 penalties are imposed after all feasible efforts to bring
9 facilities into compliance have been exhausted.

10 Enforcement orders provide for civil penalty to
11 be imposed administratively by the LEA if the time
12 schedules in those orders have been violated.

13 Essentially, this has been -- we've done some view in the
14 administrative civil penalties and this has been done in
15 two occasions. One being the Western Regional Landfill in
16 Placer County and the other being central landfill in
17 Sonoma County.

18 As an alternative or an addition to the
19 administrative imposition of civil penalties, the LEA or
20 board may initiate a much more complex process to petition
21 the superior court to recover civil penalties. This
22 approach was taken by the Attorney General's office on
23 behalf of the Board in 1991 with regard to the McCorkey
24 Rhode landfill case.

25 Staff Analysis. The audit report identified a

1 significant backlog of enforcement orders where the
2 compliance schedules lapsed, yet no further action had
3 been taken, such as the imposition of the administrative
4 penalties. This problem ties not only with civil
5 penalties but also other audit recommendations concerning
6 problems with regard to notice and orders, enforcement,
7 the need to have the enforcement regulations in place, and
8 also some of the closures issues that we had.

9 Because the civil penalties are the last resort
10 in a progression of enforcement actions to bring a
11 facility into compliance, it's dependent on the
12 enforcement, the initial administrative enforcement
13 action. In other words, the enforcement orders, the
14 process.

15 The Board's enforcement regulations, which are
16 approved by LEA and they're actually effective now, we
17 anticipate this will be very beneficial to correct a lot
18 of problems that we've had with the actual orders, so that
19 should help with streamlining the civil penalties process.

20 In addition, there are also compliance issues. A
21 lot of these compliance issues of violations have been
22 solely permit terms and conditions, such as tonnage and
23 hours of operation. And this area will also be held in
24 the civil penalties process streamlined with the
25 completion of the revised Permit Enforcement Policy, or

1 the PEP policy, which the Board is working now.

2 It's also important to point out that although
3 there has been few administrative civil penalties issued,
4 that the Board has quite a good success in terms of
5 facility compliance with State minimum standards, as
6 evident by the inventory of solid waste facilities not in
7 compliance with the statement minimum standards.

8 And this list of the chronic violators, we've
9 gone from 47 in 1997 to 14, which was just presented last
10 month. And so in that area we've, you know, in facilities
11 we've achieved substantial positive impact.

12 Notwithstanding the anticipated improvements as a
13 result of the Board's enforcement regulations, an also
14 improvements with the, as noted, with the inventory, staff
15 have identified in consultation with LEAs some significant
16 statutory barriers to an effective civil penalties. And
17 this is primarily in the area of closed, illegal and
18 abandoned sites. And Senator Roberti mentioned the Cajon
19 Pass, which was a really good example that illustrates a
20 number of these barriers.

21 And with that, I just want to briefly summarize
22 the concept of what the barrier means. And then if the
23 Board desires, we can discuss that in more detail. The
24 first is that the civil penalties may be too low to act as
25 a credible deterrent to facility and site noncompliance

1 and illegal disposal and dumping.

2 And our fines are administrative fines are \$5,000
3 per violation and up to \$15,000 per year. And this is
4 significantly less than other CalEPA agencies.

5 Two, criminal penalties are needed to strengthen
6 enforcement for illegal and abandoned disposal sites.

7 Three, clarification is needed that enforcement
8 authority and civil penalties apply to closed illegal and
9 abandoned sites not just facilities. The statute refers
10 to facilities, but there's a question as to whether or not
11 that applies to illegal disposal sites and closed sites,
12 which are technically locked within the definition of the
13 facility.

14 The fourth barrier concept is that enforcement
15 authority is needed against prior owners or operators of
16 the disposal site who are responsible for the
17 noncompliance or illegal disposal.

18 The authority centers around the current property
19 owner in these cases. And whereas we have situations where
20 it's pretty clear that a hauler or another party is
21 responsible for the problem.

22 Five is to respond to the LEA's concerns that
23 they have limited authority with respect to closed,
24 illegal and abandoned sites. And staff have believed that
25 there is significant authority in this area, but we still

1 get questions from some LEAs and responsible parties and a
2 change in statute would resolve this difference in
3 opinion.

4 The sixth is need for enhanced site access
5 authority for inspection, investigation and removal action
6 of post-closure maintenance. And this is another area
7 that basically is a problem, because it requires, in most
8 cases, an inspection warrant, which takes a court action,
9 and can be very complex and time consuming.

10 I'd like to point out that there was a change
11 with regard to tire, the waste tire site access, there's
12 some legislation in 1999. Something similar would help
13 with compliance with disposal sites and facilities.

14 The seventh is that the law should clearly
15 prohibit disposal to other than a permitted or exempt
16 facility. And this would allow authority to go after the
17 actual party that did the dumping, rather than the
18 property owner.

19 And then eight is a combination of some issues
20 with time limits. The first being that there needs to be
21 a time limit for some appeals to the local hearing panel.
22 And then also there's a timeframe needed for petition --
23 underwhich a petition for written mandate may be filed
24 challenging the decision of the Board.

25 Key issues and findings. Should the Board concur

1 with the above mentioned statutory barriers, a statement
2 of findings could be developed of the statutory barriers
3 essentially concepts of what the statutory barriers are to
4 an effective civil penalties process. And this statement
5 would be the basis for legislation to make the specific
6 changes in the law, either proposed by the Board, through
7 a legislative concept, or by another party or sponsor on
8 this own initiative.

9 Alternatively, the Board may determine that the
10 current law adequately addresses the process and the
11 forward actions is required.

12 Again, the specific cases examples, we could go
13 into if the Board desires that, one of those being Cajon
14 Pass, which illustrates some of these situations, but
15 we'll leave that up to the Board if they'd like to discuss
16 that further.

17 A final aspect is an analysis of the potential
18 drawbacks through the Board pursued in statutory barriers.
19 And, basically, I think, you know, obviously the potential
20 responsible parties are not going to want, you know,
21 additional enforcement authority on them, but clearly, you
22 know, there may be some legitimate facility operators that
23 might be concerned that they may be subject to
24 unreasonable burdensome enforcement action, and so the
25 statement of findings, you know, could be drafted to

1 acknowledge the need to address these concerns and
2 differentiate the severity of the penalties based on the
3 nature of the violation and the type of site, whether it's
4 a permitted facility versus an illegal disposal site
5 situation.

6 In conclusion, staff is recommending that the
7 Board direct staff to prepare a statement of findings and
8 statutory barriers to an effective civil penalties
9 process. And the statement of the findings would be
10 developed based on the Board's direction and brought forth
11 for consideration at the June board meeting. Staff is
12 available to answer any questions.

13 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
14 Walker.

15 Questions?

16 Mr. Paparian.

17 BOARD MEMBER PAPARIAN: Thank you. As you bring
18 the item forward, I wonder if you could bring back some
19 information on several items that I'm interested in.

20 We have existing authority that doesn't seem to
21 be used very often. And I know we heard from some of the
22 LEAs that they don't use the existing authority, because
23 it doesn't provide enough penalties. They can't really
24 pursue it with some of their -- the local LEA or whatever.

25 Anyway, what I'd like to see is a discussion of

1 where we've used the penalties and where we might have
2 used penalties had them been on a higher level, if that's
3 possible.

4 The second thing somewhat related would be a
5 discussion that reflects the feedback we've been getting
6 from the LEA's regarding this issue. I know we heard some
7 of it down in Glendale and maybe if there's a way to
8 summarize that, that would be useful.

9 The third thing is perhaps some clarification
10 about how we might utilize or enhance our existing
11 authority without going to legislation. I think there are
12 things we can do through a regulation or through better
13 and more creative use of our existing authority in this
14 area.

15 And then, finally, if there -- you know, what I'd
16 like to see is a comparison of our ability to use civil
17 penalties in comparison to other agencies, probably just
18 the other BDOs of CalEPA, you know, how does the Water
19 Board handle this, how does the Air Board handle this and
20 so forth.

21 So those four items if we can get more
22 information that would be helpful to me in moving that
23 forward. Other than that I'm supportive of coming back in
24 June as you suggested.

25 CHAIRPERSON MOULTON-PATTERSON: I would just like

1 to add, when you're looking if you could include the
2 Coastal Commission.

3 Mr. Jones.

4 BOARD MEMBER JONES: Madam Chair, I think there
5 is a need to increase the civil penalties in some areas,
6 mostly closed and abandoned. And I think we really need
7 to look at that, because if, in fact, the staff is having
8 a hard time getting anybody's attention on a closed and
9 abandoned site that's creating the problem, then they need
10 to have the weight of a civil penalty.

11 One of the problems that comes along with these
12 civil penalties that I think can be rectified pretty
13 easily, is the legislation that was brought forward by
14 CCDEH to give LEAs the ability to fine at \$5,000. Gave
15 LEAs the ability to fine for anything, litter on a fence,
16 Any of the standards at any of the facilities if an LEA so
17 desires, could impose a \$5,000 fine.

18 So there is no gradation to -- nobody is looking
19 at the severity of the infraction. They're just looking
20 at this dollar amount. And the dollar amount -- I'm going
21 to always oppose increasing it when it can be so liberally
22 used that if somebody finds litter on a fence, they can
23 impose a \$5,000 fine.

24 I don't agree that litter on a fence is a good
25 management practice, but it happens. So what we may want

1 to think about is categorizing the violations and putting
2 them into some kind of a tier that says if you're doing
3 these things, then here's the number for civil penalties.
4 If it's these things, there's the number for civil
5 penalties.

6 So that we somehow attach a dollar value to the
7 severity of the issue. But right now that doesn't exist.
8 Right now, it's anything and anybody. So I think that
9 would be a step in the right direction. And I think that
10 the abandoned site issues that are creating so much
11 problems for you guys needs to really be looked at to see
12 what's the most effective way to do that and include that
13 in it with a higher civil penalty.

14 As well as the legal -- I think it was your 7,
15 that you can only dispose of the material in a legal or an
16 exempt site. That makes sense to me. But you've got to
17 be prepared to issue an exemption to the facilities that
18 are, in fact, exempt. You can't just leave it silent,
19 because there are certain facilities that are left silent
20 because they don't meet a threshold to be permanent.

21 So if you do that, then I think it helps with the
22 Cajon. Cajon when we, Mr. Walker and Mr. Eaton and I will
23 attest when we tried the -- when we started in the Cajon
24 issue, we had to include other agencies, because we didn't
25 have any statutory authority that had a hammer big enough

1 to bring this three and a half million dollar cleanup
2 cause. So we did it mostly with -- well we did it a whole
3 lot of different ways, but we got it done.

4 And so I think that that needs to be addressed,
5 so that we do have more authority to those kinds of
6 issues, where we can work with local government to get
7 those cleaned up.

8 But that would be my suggestion was to -- that we
9 really need to look at this in a teired method, so that we
10 have fines for appropriate violations.

11 You know, everybody loves to hear a couple
12 hundred thousand dollar fine to somebody, but if it's
13 because somebody has got litter on a fence, you ain't
14 going to get my vote, you know.

15 CHAIRPERSON MOULTON-PATTERSON: Other comments?
16 Any other comments?

17 DEPUTY ATTORNEY GENERAL WALZ: I wonder if I
18 might make a comment. One way that other statutes do this
19 is not have a set amount for a set infraction, but they
20 say it's up to this amount and then there are number of
21 considerations that you look at. You look at, for
22 example, how much they avoided -- how much cost they
23 avoided by doing it the wrong way as opposed to the right
24 way. You look at the severity of the infraction. You
25 look at whether the person is a repeat offender, and you

1 look at a number of things.

2 So instead of having just a set amount, you say
3 up to so much per day and then each side puts in their
4 considerations that they think should go into determining
5 what the appropriate penalty is.

6 BOARD MEMBER PAPARIAN: We could do that with our
7 existing authority. We could move to say with in our
8 existing authority, these are the parameters; is that
9 right?

10 DEPUTY ATTORNEY GENERAL WALZ: Yeah, except that
11 I understand that you have a \$15,000 per year limit.

12 DEPUTY DIRECTOR NAUMAN: I think there's a
13 question whether we can do that under our current
14 structure. I think what Edna suggesting is that it's
15 another model to look at. That's slightly different than
16 Mr. Jones' suggested model, but we'll look at all of them
17 and bring you some ideas.

18 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
19 Walz.

20 Any other comments?

21 So you need the direction from us. I would
22 certainly support your recommendation Option 1.

23 DEPUTY DIRECTOR NAUMAN: Fine. We'll work on
24 that and bring that back to you.

25 CHAIRPERSON MOULTON-PATTERSON: I don't hear any

1 disagreement.

2 DEPUTY DIRECTOR NAUMAN: Okay.

3 CHAIRPERSON MOULTON-PATTERSON: Okay, thank you.

4 Item 18.

5 DEPUTY DIRECTOR NAUMAN: It 18 is Consideration
6 of Bureau of State Audits Report Recommendation Regarding
7 Closure Plan Deadline Extension, Coordination of Closure
8 Plan Review, and Loans or Grants for Landfill Closure.

9 You'll recall at the last board meeting in April,
10 we brought an item forward to you that addressed these
11 recommendations, and it was a discussion and request for
12 directions. We took your direction and are now bringing
13 back an item for your consideration.

14 So what we're doing is kind of restating the
15 direction that you gave us, giving you a little more, kind
16 of, pros and cons of what's involved in those, and are
17 looking for you to confirm the direction that you gave us
18 last month, perhaps modify that or otherwise direct us to
19 do some additional work. So I'll ask Scott to run through
20 this quickly.

21 MR. WALKER: Thank you. Again, this combines
22 three recommendations of the audit report.

23 And recommendation 11 reminds the Board and
24 summarizes the Board to modify its regulations to prevent
25 LEAs from indefinitely extending deadlines for submitting

1 closure plans.

2 Recommendation 12 is that the Board should modify
3 its regulations to reestablish its role as a coordinating
4 agencies for the review and approval of closure plans.

5 And the Recommendation 13 is to seek legislation
6 that will allow the Board to offer loans or grants to
7 landfill owner/operators in need of final assistance to
8 close landfills.

9 These are all interrelated. And the board's
10 direction was to combine these for this consideration
11 item.

12 To summarize the actual specific direction, there
13 are four points where the Board specified the direction.
14 And one is to pursue a regulation to control trickling of
15 waste, while taking into account the special needs of
16 rural jurisdictions.

17 The second is to amend regulations to require
18 approved closure plans for permit concurrence.

19 The third being for the Board to amend
20 regulations to reestablish the Board as a coordinating
21 agency for the closure plan approval process.

22 And the fourth is to amend regulations to require
23 permits for closed landfills.

24 In addition, the Board directed that any
25 regulation change needs to take into account the economic

1 or other underlying reasons for delaying landfill
2 closures, especially for rural landfills. The Board also
3 directed staff to pursue establishment of a program to
4 offer loans and assistance for landfill closures.

5 The key issues and we've looked and reviewed
6 where we would go from here, and should the Board adopt
7 this recommend then development of the above-discussed
8 regulations would proceed. And we'd start with the
9 initiation of the informal rule-making process and then
10 followed by the formal process.

11 The informal process, which basically allows --
12 the Board currently uses to develop regulations, it
13 consists of circulating initial draft regulations to
14 representative stakeholders and hold informal workshops on
15 the draft regulations. And the purpose is to resolve, as
16 much as possible, the most significant issues prior to the
17 time sensitive formal rule-making process.

18 We've determined there's several issues that will
19 come up, one being that the requiring permits for closure
20 may raise some concerns from a regulated community as to
21 the cost and time to obtain permits, and depending upon a
22 tier slot in that permit for closure.

23 Second is to require approved closure plans for
24 permit concurrence, it may result in some concerns about
25 delays in processing and approving permit revisions.

1 Three being that rural jurisdictions will
2 continue to seek assurance that control of trickling will
3 not affect their special needs with regard to emergency
4 capacity and financial assistance amongst other reasons
5 that they have.

6 Fourth is that the coordination of the closure
7 plan review and approval process, we anticipate that LEAs,
8 some LEAs and regional boards may desire some process
9 under which the Board may delegate the coordination to
10 them under special circumstances.

11 And, again, I think that some of the areas that
12 we have thought of that may be incorporated into the draft
13 regulations would be to limit closure permits for disposal
14 sites that are required really to have a long-term post
15 closure maintenance or there are special circumstances
16 that a closure permit would be prudent and that be one
17 area to explore.

18 The second may require some -- the situation
19 would require closure plans to be approved. There may be
20 situations other than landfill expansions that we may need
21 some additional flexibility such that that not be subject
22 to the requirement.

23 In other words, there may be the need we've heard
24 from some LEAs that there's some cases where it's not an
25 expansion, but the LEAs want to revise the permit to

1 upgrade the controls on it, and also might perhaps
2 incorporate a beneficial, you know, recycling activity or
3 whatever and there may be a need for some flexibility on a
4 case by case basis.

5 And the four, is that, I think, we feel pretty
6 confident we can develop an agency coordination process in
7 reviewing a closure plan such that we could, you know, may
8 be able to delegate the coordination to another -- to an
9 LEA or a regional board in specified circumstances.

10 And with that, we were asked another question at
11 the discussion board meeting about federal rule
12 restrictions. And we looked at this issue and basically
13 our standards are required to be equivalent or more
14 stringent to the federal subtitle D standards. And the
15 proposed rule making would be more stringent. And so we
16 don't anticipate a conflict with our subtitle D approval
17 status.

18 The closure loan program, and essentially board
19 staff analysis determined that approximately a \$4.5
20 million self-sustaining loan program would provide
21 sufficient assistance to meet the demand of closure for
22 the unlined rural landfills that need assistance. And the
23 implementation of this proposal would require development
24 of a budget change proposal, which is currently being
25 drafted and/or enabling legislation.

1 In addition, clearly that the criteria would have
2 to have be established by the Board if this program was to
3 be established, and most likely implementing the
4 regulations be adopted.

5 The Board also directed us to pursue other areas
6 for financial assistance for landfill closure. And I'd
7 just like to acknowledge Kit Cole for bringing our
8 attention. The Trade and Commerce agency's infrastructure
9 bank, which there may be some options there to facilitate
10 funding which staff will be pursuing.

11 And in conclusion, staff recommends that the
12 Board adopt Resolution number 2001-135 to pursue
13 regulatory changes and a closure loan program as
14 recommended to address audit report recommendations 11, 12
15 and 13.

16 Staff are available to answer questions.

17 CHAIRPERSON MOULTON-PATTERSON: Thank you.

18 Any questions?

19 Mr. Medina.

20 BOARD MEMBER MEDINA: Yeah, Madam Chair, if there
21 are no changes to the proposed resolution, I would like to
22 move that resolution.

23 CHAIRPERSON MOULTON-PATTERSON: I appreciate that
24 and we'll come right back. We do have -- I just got
25 handed a speaker's slip, so we'll hold off.

1 Jim Hemminger.

2 MR. HEMMINGER: Thank you. Jim Hemminger, with
3 ESJPA. I just briefly did want to go on the record
4 acknowledging and supporting staff's recommendation for
5 creation of the landfill closure trust account. I think
6 it will be extremely helpful to many of the rural
7 counties. And that we look forward to working with Scott
8 and other staff in development of regulations to help deal
9 with trickle landfill issues, as well as criteria for
10 distribution of the funds if the resolution is adopted by
11 the Board. And also to work with Board to see if we can
12 help identify potential funding sources.

13 Thank you.

14 CHAIRPERSON MOULTON-PATTERSON: Thank you.

15 Mr. Paparian.

16 BOARD MEMBER PAPARIAN: I just wan to ask one
17 thing for clarification. There is a landfill closure
18 trust fund that's discussed in here at four and a half
19 million dollars, but it's not part of the resolution.
20 Will you be coming back at a future time to give us more
21 detail In seeking approval for that?

22 DEPUTY DIRECTOR NAUMAN: We're looking just for
23 your general direction or whether or not you want to
24 pursue some type of a loan program, recognizing that we
25 don't have that fund. We don't have any account. What we

1 have in the item is just staff's best work at trying to
2 figure out how much might be available. So the resolution
3 just indicates that the Board is directing staff to pursue
4 funding, whether it be through the infrastructure bank, be
5 it through some new program development. We're just
6 looking for your interest in a program many of that type.

7 BOARD MEMBER PAPARIAN: Okay. As long as we're
8 not locking ourselves to that four and a half million
9 dollars.

10 DEPUTY DIRECTOR NAUMAN: No.

11 CHAIRPERSON MOULTON-PATTERSON: Thanks.

12 Mr. Jones.

13 BOARD MEMBER JONES: I don't really have too much
14 problem about this, but I have two questions. What's the
15 thinking behind having a permit for closure, because I'm
16 having a hard time understanding it.

17 We have to have closure plans submitted before we
18 issue a permit. So are you lacking something in
19 regulatory authority to enforce that?

20 MR. WALKER: I think we're talking about sites
21 that have actually gone final closure.

22 BOARD MEMBER JONES: But those were approved.
23 Those sites that go to final closure are doing it based on
24 a closure plan that's already been approved by this Board
25 and the Water Board.

1 MR. WALKER: Correct. What we've --

2 BOARD MEMBER JONES: And they only get paid --
3 excuse me, they only get paid -- you know, anybody that's
4 putting money into the closure fund, just so the members
5 understand, they only get paid as they do the work, so
6 they don't get that money back unless they've done the
7 work, so that's one of the reasons that was there was to
8 make sure that people were doing the work.

9 So what I'm having a little bit of a problem with
10 is you've got an approved plan. You have to go by the
11 plan. It gets updated as conditions change. You only get
12 your money back if you're doing the work, so what's the
13 purpose of the permit?

14 MR. WALKER: I think that there's two areas. One
15 is technically it's really a post closure permit, that is
16 to say, you know, once the landfill is completed with the
17 closure activities, how do you hold them to the
18 post-closure maintenance.

19 And what we've heard from LEAs and staff is that
20 by having some type of a permit where they're tied to the
21 maintenance, that will increase or enhance the ability to
22 maintain compliance with the post-closure maintenance
23 plan.

24 BOARD MEMBER JONES: Okay. Maybe that's the way
25 the LEAs see it, but I'm having a hard time understanding,

1 you have a closure post-closure plan. The post-closure
2 plan says we're going to monitoring these things every
3 quarter. We're gong to monitor this every six months.
4 We're going to do these things. Who enforces the
5 post-closure plan?

6 MR. WALKER: It's the responsibility of the local
7 enforcement agency to enforce the post-closure maintenance
8 plan.

9 BOARD MEMBER JONES: Exactly. And that
10 post-closure plan lays out what they're supposed to do.

11 MR. WALKER: Correct.

12 BOARD MEMBER JONES: So what's the permit going
13 to do that existing documents don't already do?

14 MR. WALKER: I think that the issue there is
15 apparently, what I'm hearing from LEAs, is that it's
16 having -- and like the regional board issues WDRs for
17 closure. That it's much more difficult to enforce a plan
18 on its own than it is with a permit, what's called, a
19 permit that may just incorporate the plan by reference.
20 In other words, having that permit rather than just having
21 the plan an attempting to enforce the plan.

22 BOARD MEMBER JONES: Right. Then is it your view
23 that the permit would mirror the already approved closure
24 post-closure plan?

25 MR. WALKER: Correct.

1 BOARD MEMBER JONES: Then we're not going to add
2 76 more conditions?

3 MR. WALKER: Correct. And it clearly would be
4 put together in a manner in order to control and to make
5 it concise and not subject to additional conditions, et
6 cetera, that would occur.

7 So it probably would be something that would go
8 into like a tier type situation, where it's not a full
9 type solid waste facility permit.

10 BOARD MEMBER JONES: And then just one other
11 thing. On your trust fund, I have no problem with the
12 loans, but I have a problem the grants, because everyone
13 of these rural jurisdictions that has operated a landfill,
14 has had a governing body that had the authority and the
15 duty to raise rates to make sure to take care of these
16 things. A lot of them including the ones that I've
17 operated in chose not to do that.

18 To offer a grant that gets them off the hook is
19 not fair to all the other jurisdictions that had to fund
20 it. I have no problem with the loans to give them a hand,
21 as long as they pay it back. But I don't think it's fair,
22 from an equity standpoint, that all those jurisdictions
23 that had to raise rates to cover closure post-closure
24 somehow -- you know, the ones that refuse to do that are
25 somehow rewarded by getting free money from the State.

1 That doesn't make sense to me. So I would -- I
2 know Mr. Medina is going to make the motion, but I would
3 like to see what board members think about the equity
4 issue and maybe eliminate grants and just leave it at
5 loans, because the only ones that would be getting grants
6 are the ones who refuse to do their job along the line,
7 which was not what other jurisdictions did.

8 CHAIRPERSON MOULTON-PATTERSON: Before I call Mr.
9 Medina to make the motion, did you have anything that you
10 wanted to address.

11 DEPUTY DIRECTOR NAUMAN: No.

12 CHAIRPERSON MOULTON-PATTERSON: Mr. Medina.

13 BOARD MEMBER MEDINA: Madam Chair, I'd like to
14 move Resolution 2001-135 Consideration of Board Decision
15 on Appropriate Action Regarding Bureau of State Audits,
16 Report Recommendations Regarding Closure Plan Deadline
17 Extensions, Coordination of Closure Plan Review and Loans
18 or Grants for Landfill Closures, Recommendations Numbers
19 11, 12 and 13.

20 BOARD MEMBER PAPARIAN: I'll second that, but I
21 wonder if we want to address Mr. Jones' concern about
22 pulling out grants from the resolution and have it just be
23 loans.

24 BOARD MEMBER MEDINA: Mr. Jones had asked for a
25 discussion on that. The motion has been made, we either

1 can a mend it or make.

2 CHAIRPERSON MOULTON-PATTERSON: Do you have a. --

3 BOARD MEMBER PAPARIAN: I'll make the second, but
4 I'm fine with pulling the grants out and having it just be
5 loans.

6 CHAIRPERSON MOULTON-PATTERSON: Are you fine with
7 that?

8 I'm fine with that.

9 BOARD MEMBER JONES: I just think it's tough for
10 counties to have to pay for these closures, but the
11 majority of them have put them in their rate. It would
12 only be the ones that refuse to that would be getting the
13 grants. And that just doesn't seem to make sense from a
14 policy stand point. So I'd urge that the members would
15 remove the term grants.

16 CHAIRPERSON MOULTON-PATTERSON: Mr. Medina, would
17 you like to a amend your motion or do you just want to
18 keep grants in?

19 BOARD MEMBER MEDINA: Truthfully, not having
20 anyone here from counties to touch on this, and I don't
21 know -- I'm probably not one way or the other.

22 BOARD MEMBER ROBERTI: If I could interject my
23 two cents here also. I sort of would like to keep the
24 grants in until we get some response from the local
25 governments as to what the impact would be on them. It

1 appears to be somewhat of a strong change from the way
2 we've proceeded in the past. I mean, it's important to
3 keep the program going.

4 CHAIRPERSON MOULTON-PATTERSON: Okay. So the
5 motion is we'll stay with grants in, is that okay with
6 seconder?

7 BOARD MEMBER PAPARIAN: Yes.

8 CHAIRPERSON MOULTON-PATTERSON: Please call the
9 roll.

10 SECRETARY VILLA: Eaton?

11 BOARD MEMBER EATON: Aye.

12 SECRETARY VILLA: Jones?

13 BOARD MEMBER JONES: No.

14 SECRETARY VILLA: Medina?

15 BOARD MEMBER MEDINA: Aye.

16 SECRETARY VILLA: Paparian?

17 BOARD MEMBER PAPARIAN: Aye.

18 SECRETARY VILLA: Roberti?

19 BOARD MEMBER ROBERTI: Aye.

20 SECRETARY VILLA: Moulton-Patterson?

21 CHAIRPERSON MOULTON-PATTERSON: Aye.

22 Okay, thank you.

23 Number 19.

24 DEPUTY DIRECTOR NAUMAN: Item 19 is Consideration
25 of the Draft Six Month Report to the State Auditor.

1 You have in your packet staff's effort to capture
2 the work that the Board has done with respect to the
3 recommendations in the audit over the course of six months
4 since the -- well they sent the report in December of last
5 year. So this really is an update to the 30-day work that
6 we submitted, I believe, in early March.

7 So we're just looking for your concurrence with
8 the content of the draft. We've done our best to reflect
9 date changes, because a couple of items have slipped from
10 the original schedule that we submitted.

11 In any event if you're comfortable with the
12 general approach and content we will go through it and
13 make sure that we've got all the dates correct based on
14 your actions today and previously. But we need your
15 direction today on this, so that we can meet the deadline
16 for submittal in early June.

17 CHAIRPERSON MOULTON-PATTERSON: Any objections
18 from board members?

19 Hearing none, I --

20 BOARD MEMBER PAPARIAN: I may have a question.

21 CHAIRPERSON MOULTON-PATTERSON: Go ahead.

22 BOARD MEMBER PAPARIAN: First of all, the
23 suggestion that in the cover letter on this that we
24 summarize what we're doing differently as a result of the
25 audit having taken place, in addition to going into the

1 detail you have in here.

2 DEPUTY DIRECTOR NAUMAN: I'm looking for some --

3 BOARD MEMBER PAPARIAN: What have we actually
4 done as a result of there being an audit, other than
5 having a lot of meetings and a lot of discussions.

6 DEPUTY DIRECTOR NAUMAN: Well, we can work on
7 that. I don't know that it -- you know, what we're trying
8 to do is respond --

9 BOARD MEMBER PAPARIAN: And have we done anything
10 other than meetings and discussions? I think the answer
11 is, yes.

12 DEPUTY DIRECTOR NAUMAN: How has our work changed
13 is that what you're looking for on a day to day basis,
14 what are we doing differently?

15 BOARD MEMBER PAPARIAN: Right.

16 DEPUTY DIRECTOR NAUMAN: Okay. We can work on
17 that. I'm looking for suggestions from the Board of
18 things that you'd like to highlight so this isn't just a
19 staff driven summary of our work. But if you don't, we'll
20 go ahead and try and draft something up and --

21 BOARD MEMBER PAPARIAN: I mean, I think it's
22 important in the response to be clear -- in the cover
23 letter especially, to clearly highlight that, you know,
24 we've taken it seriously, and we've made some changes as a
25 result. And here are some examples of those changes.

1 DEPUTY DIRECTOR NAUMAN: We'll do our best. This
2 will, actually, the transmittal letter as long as it's
3 signed by the Agency Secretary, and so we'll work through
4 the executive office and the Chair's office to confirm
5 that we've captured what you have in mind.

6 CHAIRPERSON MOULTON-PATTERSON: So will I see it
7 before it goes out?

8 DEPUTY DIRECTOR NAUMAN: Definitely.

9 BOARD MEMBER PAPARIAN: And then the
10 environmental justice item, I think we also had -- we're
11 going to have some stakeholder meetings put together.

12 DEPUTY DIRECTOR NAUMAN: I think Ms. Bruce
13 addressed the EJ issue yesterday in her report to you that
14 will be -- the staff is working diligently in trying to
15 come up with the plan that addresses the seven or eight
16 steps that the Board looked at a couple of months ago.
17 And we plan to bring that plan to you in June.

18 So it's in the context of that plan that we would
19 be laying out the nature of the when, the how big, the who
20 gets to be invited type thing to the stakeholder
21 conference or forum that the Board had discussed. So
22 you'll see that in June when we bring the plan forward on
23 environmental justice.

24 BOARD MEMBER PAPARIAN: But we are planning to
25 pull in some stakeholders interested in the issue?

1 DEPUTY DIRECTOR NAUMAN: Yes. That would be one
2 of the steps in the plan that we'll be laying out.

3 BOARD MEMBER PAPARIAN: But that's not going to
4 happen -- I'm suggesting that you mention that in here the
5 environmental justice item, I don't see anything about
6 bringing in some of the interested parties.

7 DEPUTY DIRECTOR NAUMAN: What we can capture in
8 this item is the direction that the Board gave us last
9 month to begin developing a specific plan that addresses
10 those seven or eight steps and in that we can include the
11 specific reference you're talking about to the Board's
12 direction to bring stakeholders in and to hold stakeholder
13 forums?

14 BOARD MEMBER PAPARIAN: Right.

15 DEPUTY DIRECTOR NAUMAN: So I agree we can do
16 that.

17 CHAIRPERSON MOULTON-PATTERSON: I'd like to see
18 that in also.

19 BOARD MEMBER PAPARIAN: And then sort of
20 parenthetically on that we've been working to come up with
21 some suggested stakeholders and getting that to the staff
22 shortly.

23 DEPUTY DIRECTOR NAUMAN: Sure.

24 BOARD MEMBER PAPARIAN: Then one thing that --
25 when I had discussion with staff in regards to the

1 strategic plan, the question of environmental justice came
2 up, and it seemed that staff wasn't clear that the Board
3 felt that we should be pursuing environmental justice as
4 one of our major priorities in the context of the
5 strategic plan.

6 Somehow I had thought we had addressed that in
7 the context of the auditor's response that we didn't need
8 environmental justice to be highlighted. So I'm wondering
9 if there's anything we need to do additionally if we want
10 environmental justice to be highlighted enough so that it
11 becomes something that's mentioned and pursued in our
12 strategic plan.

13 CHAIRPERSON MOULTON-PATTERSON: Ms. Bruce.

14 INTERIM EXECUTIVE DIRECTOR BRUCE: The plan to do
15 that is to bring for discussion to next month's meeting
16 the various strategies, but the mission statement as well
17 as the values and part of that is to incorporate the
18 environmental justice piece that you're talking about.

19 BOARD MEMBER PAPARIAN: My understanding was that
20 there's a discussion of diversity and related issues in
21 the strategic plan, but that environmental justice wasn't
22 really singled out. And the reason was that staff didn't
23 feel that there was a direction from a majority of the
24 Board on that issue.

25 INTERIM EXECUTIVE DIRECTOR BRUCE: I've heard

1 what you're saying also. I'm going to ask Rubia Packard
2 to address that. Because we do want that to come forward
3 as per your direction in June when you have that
4 discussion.

5 BOARD MEMBER PAPARIAN: The reason I'm bringing
6 it up here is so that we're clearly enough so that we can
7 highlight enough in the six months report.

8 INTERIM EXECUTIVE DIRECTOR BRUCE: I understand
9 that.

10 CHAIRPERSON MOULTON-PATTERSON: Ms. Packard,
11 before you begin, though, I just want to say, I think this
12 Board has been very clear that this is very important, and
13 we'd like to see it included in the strategic plan.

14 MS. PACKARD: Rubia Packard with the policy
15 office. We certainly did hear that direction. I think
16 what we're talking about is a difference perhaps in where
17 exactly it will be and how it will be addressed. The
18 direction that we heard that was that environmental
19 justice and what we're going to do about is very
20 important.

21 When we looked at developing the goals that we
22 were going to present this month and we'll be presenting
23 next month to you for consideration and direction, we felt
24 that environmental justice is the foundation or should be
25 part of the foundation for everything that we do here at

1 the Board. All of our work should be done within that
2 context.

3 And so our proposal was to build in all of our
4 action steps to address environmental justice issues and
5 concerns into each of the goal areas that we had
6 developed. So we developed strategic goals in program
7 areas and we will address environmental justice and some
8 of the other things that we've heard, like enforcement et
9 cetera, as part of each of those goals. So where you will
10 see that in addition to the statement about diversity and
11 working with diverse communities and information sharing
12 and participation on the part of those communities, that
13 is part of the value statement.

14 But where you will actually see the action steps
15 that we take will be as part of the objectives, strategies
16 and performance measures under each of the program goal
17 areas. If that is not where the Board wants to see that,
18 we can certainly make those changes, but that is where we
19 intended to address those actions steps that we will be
20 taking.

21 CHAIRPERSON MOULTON-PATTERSON: Thank you.

22 Senator Roberti.

23 BOARD MEMBER ROBERTI: In my speaking with Ms.
24 Packard and other staff, I personally was satisfied that
25 their objective is to incorporate environmental justice.

1 The only concern that I had and I'll articulate this as
2 articulated to Ms. Packard when she was speaking in my
3 office, was that we use the words environmental justice in
4 our statements.

5 They have a ora of meaning themselves. And I
6 think that's probably a way that the general concern that
7 may be the issue is not being touched on can be addressed
8 so that is just to use the words themselves environmental
9 justice. But environmental justice is -- and I agree with
10 Ms. Packard's logic in this, that environmental justice is
11 the methodology whereby we reach our goals. And
12 therefore, it is part of everything that we do. It's not
13 just one separate goal aside all by itself, but we should
14 use the words.

15 MS. PACKARD: We are proposing --

16 BOARD MEMBER ROBERTI: So nobody's mistaken as to
17 what our processes are going to be.

18 MS. PACKARD: Definitely. And we will do that as
19 we make revisions in preparation for bringing the revised
20 item back to the Board in June. We were proposing to do
21 that to include environmental justice as a category of
22 values and then use those words as we develop the
23 objective strategies and performance measures, so it would
24 be very clear to you where that is. But, again, if
25 there's different direction, then we'd be happy to hear

1 that and revise invoices our plan for bringing the rest of
2 it to you.

3 CHAIRPERSON MOULTON-PATTERSON: Thank you Ms.
4 Packard and Mr. Paparian. So your point was that you --

5 BOARD MEMBER PAPARIAN: To know --

6 DEPUTY DIRECTOR NAUMAN: So for purposes of the
7 six-month report and this specific recommendation on
8 environmental justice, we can redraft this section to
9 reflect the Board's strong direction that the strategic
10 plan shall have as one of it's foundational underpinnings,
11 environmental justice and that plan will reflect the
12 Board's commitment to environmental justice.

13 BOARD MEMBER PAPARIAN: Right.

14 CHAIRPERSON MOULTON-PATTERSON: Great.

15 DEPUTY DIRECTOR NAUMAN: Okay. So we will
16 definitely bring back language to do that.

17 BOARD MEMBER PAPARIAN: Thank you.

18 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
19 Paparian.

20 Do we need a motion or --

21 DEPUTY DIRECTOR NAUMAN: Just direction. We
22 really don't.

23 CHAIRPERSON MOULTON-PATTERSON: I'm sorry, Mr.
24 Medina has a comment.

25 BOARD MEMBER MEDINA: Yes. We were asked to

1 review the process used to grant permits for the recent
2 expansion of the Sunshine Canyon Landfill in LA County and
3 a sample of three landfills. Have we done that and is
4 that reflected in any of the reports.

5 PERMITTING AND INSPECTION BRANCH MANAGER de BIE:
6 Mr. Medina, I believe you --

7 BOARD MEMBER MEDINA: The reason I raise that is
8 I made a visit to Sunshine Canyon a week ago and that was
9 the very question that was raised by the North Valley
10 Coalition that was there.

11 PERMITTING AND INSPECTION BRANCH MANAGER de BIE:
12 My recollection is that the direction to the State auditor
13 was that the State Auditor was to review Sunshine and also
14 review and sample of landfill permit revisions and make
15 findings. And they included that in the report.

16 But there was not a recommendation in the State
17 Auditor that the Board do any follow up relative to
18 Sunshine Canyon or other permit process.

19 BOARD MEMBER MEDINA: But in regards to the
20 process that we use, have reviewed that process?

21 PERMITTING AND INSPECTION BRANCH MANAGER de BIE:
22 Have we reviewed the State Auditor's process relative to
23 Sunshine?

24 BOARD MEMBER MEDINA: No. We were asked to
25 review the process used to grant the permits. Have we

1 reviewed that process?

2 PERMITTING AND INSPECTION BRANCH MANAGER de BIE:

3 Mr. Medina, you know, I beg to differ. I don't believe we
4 were directed to do that.

5 DEPUTY DIRECTOR NAUMAN: I think that may be a
6 quote from the audit, that those I believe in that
7 context, it's the Auditor's saying --

8 BOARD MEMBER MEDINA: It's right here in the
9 summary.

10 DEPUTY DIRECTOR NAUMAN: But I think it's the
11 Auditor saying. We, the Auditor, were specifically asked
12 by the Joint Legislative Audit Committee to look at the
13 permitting process of these landfills and we the auditors
14 did do that.

15 So I don't think it was a direction to the Waste
16 Board to also conduct that type of review. And as you may
17 know, the proposed permit provision for Sunshine Canyon
18 has not yet been submitted to the Board. We are tracking
19 the progress. We are in close contact with the LEA and
20 the operator as they're preparing the permit, but we have
21 not yet received it.

22 CHAIRPERSON MOULTON-PATTERSON: Okay.

23 Thank you, Mr. Medina. So with that direction,
24 anything else, Mr. Eaton, Mr. Jones?

25 BOARD MEMBER EATON: No.

1 CHAIRPERSON MOULTON-PATTERSON: With that
2 direction --

3 DEPUTY DIRECTOR NAUMAN: We will make those
4 changes and move it up to the Chair's office.

5 That concludes our section.

6 Thank you very much.

7 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
8 Nauman.

9 Special Waste, Mr. Leary.

10 DEPUTY DIRECTOR LEARY: Number 20 was on consent.
11 Let's go right to 21.

12 DEPUTY DIRECTOR LEARY: Good morning Madam Chair,
13 Members of the Board. Mark Leary representing the Special
14 Waste Division. The Special Waste portion of today's
15 agenda consists of two items. First item Agenda Item
16 number 21 will be presented by Martha Gildart.

17 SUPERVISING WASTE MANAGEMENT ENGINEER GILDART:
18 Good morning, Item 21 is the Consideration of Approval of
19 Contractor for the Fourth CIWMB Tire Management and
20 Recycling Conference. The scope of work was approved by
21 the Board at yesterday's consent calendar. This would be
22 the fourth recycling conference we've had dealing with
23 waste tires.

24 The first three were held in '93, '95 and '98, so
25 we're a bit overdue. What we are hoping is to hold this

1 conference in January or February of 2002. We are
2 proposing to contract through an interagency agreement
3 with California State University, Sacramento campus.

4 They have assisted us in the last two recycling
5 conferences, so we feel they're knowledgeable on this
6 subject and the methodology and are asking for board
7 approval of that.

8 CHAIRPERSON MOULTON-PATTERSON: Thank you.

9 BOARD MEMBER JONES: Madam Chair.

10 CHAIRPERSON MOULTON-PATTERSON: Mr. Jones.

11 BOARD MEMBER JONES: These conferences they've
12 I've gone to have always been done really well. There's
13 always been great participation from all over the United
14 States. And if you can duplicate that, I think you're
15 going to be on the right track. I'll move adoption of
16 resolution 2001-147 Consideration of Approval of Contract
17 for the Fourth CIWMB Tire Management Recycling Conference
18 Contract.

19 BOARD MEMBER MEDINA: Second.

20 CHAIRPERSON MOULTON-PATTERSON: Okay. We have a
21 motion by Mr. Jones seconded by Mr. Medina to Approve
22 resolution 2001-147.

23 Please call the roll.

24 SECRETARY VILLA: Eaton?

25 BOARD MEMBER EATON: Aye.

1 SECRETARY VILLA: Jones?
2 BOARD MEMBER JONES: Aye.
3 SECRETARY VILLA: Medina?
4 BOARD MEMBER MEDINA: Aye.
5 SECRETARY VILLA: Paparian?
6 BOARD MEMBER PAPARIAN: Aye.
7 SECRETARY VILLA: Roberti?
8 Moulton-Patterson?
9 CHAIRPERSON MOULTON-PATTERSON: Aye.
10 Thank you.
11 DEPUTY DIRECTOR LEARY: Board Members, Agenda
12 Item 22 is Consideration of the Approval of the Grant
13 Awards, our very first grant awards, for the Park
14 Playground Accessibility and Recycling Grant Program.
15 Martha too will also present the details this
16 award.
17 SUPERVISING WASTE MANAGEMENT ENGINEER GILDART:
18 This is an award for the first cycle of the Park
19 Playground Accessibility Grants. In an action just last
20 week, you approved the criteria and review process for the
21 second cycle of this same grant program.
22 The program was established by the Safe
23 Neighborhoods, Clean Water, Clean Air and Coastal
24 Protection Bond Act, which was passed by voters in March
25 of 2000. Funds have been appropriated to the Board for

1 grants to park districts to upgrade playgrounds to improve
2 the accessibility for disabled children. \$2.5 million
3 were made available for this first grant cycle.

4 The criteria and review process were approved by
5 the Board last August. Notice of funds available was
6 issued in September to over 2200 people. And the method
7 was also posted on the Board's web site.

8 We received 84 applications, 44 from northern
9 California 38 from southern California. Two of those were
10 disqualified. We then established four scoring panels to
11 review the remaining 82 applications. We had a training
12 session in which the criteria and the review process was
13 adopted by the Board, were reviewed and a benchmark was
14 established by using a sample application going through
15 step by step.

16 The panel members then reviewed each about 20
17 applications and then met and reconvened as panels to come
18 up with the final score. The program manager for the
19 administrations grants unit and our tire diversion unit
20 met to review those scores to ensure consistency.

21 What you'll see is that Attachment 1A and
22 Attachment 1B list the grants awarded to northern
23 California and Southern California.

24 The Board had earlier approved establishing a
25 60//40 split between southern California and northern

1 California following the county line between San Luis
2 Obispo, Kern County and San Bernardino with 60 percent of
3 applications to be awarded to southern California.

4 What we have had happen is that more grant
5 applications were submitted by northern California and
6 more of them passed. So, at this point, we actually have
7 a reversal of that split. Of the 56 total passing grants,
8 59 percent are from northern California and 41 percent
9 from southern California.

10 Staff recommends funding all passing applications
11 as we relieve funds, about \$800,000, unexpended if we were
12 to stick with the original 60/40 split.

13 If you have any questions, I'd be happy to answer
14 them.

15 CHAIRPERSON MOULTON-PATTERSON: Questions?

16 BOARD MEMBER JONES: Madam Chair?

17 CHAIRPERSON MOULTON-PATTERSON: Mr. Jones.

18 BOARD MEMBER JONES: I'll move adoption of
19 Resolution 2001-148 Consideration of Approval the Grant
20 Awards For the Park Playground Accessibility and Recycling
21 Grant Program for fiscal year 2000 and 2001.

22 CHAIRPERSON MOULTON-PATTERSON: I'll second that.
23 So we have a motion by Mr. Jones seconded by
24 Moulton-Patterson to approve resolution 2001-148.

25 Please call the roll?

1 SECRETARY VILLA: Eaton?
2 BOARD MEMBER EATON: Aye.
3 SECRETARY VILLA: Jones?
4 BOARD MEMBER JONES: Aye.
5 SECRETARY VILLA: Medina?
6 BOARD MEMBER MEDINA: Aye.
7 SECRETARY VILLA: Paparian?
8 BOARD MEMBER PAPARIAN: Aye.
9 SECRETARY VILLA: Roberti?
10 Moulton-Patterson?
11 CHAIRPERSON MOULTON-PATTERSON: Aye.
12 Thank you, Mr. Leary and Ms. Gildart.
13 Waste Prevention and Market Development, number
14 23. Ms. Wohl right on the dot.
15 DEPUTY DIRECTOR WOHL: Good afternoon Board
16 Members, Patty Wohl, Waste Prevention and Market
17 Development Division.
18 For the fiscal year 2000/2001 recycling market
19 development revolving loan program was budgeted to fund
20 \$10 million in new loans. The Board has previously
21 approved ten loans this fiscal year totaling \$6,368,500.
22 Today the Board will consider one loan to Barry
23 Sandler Enterprises in the amount of \$500,000. If this
24 loan is approved, then there remains \$3,131,500 in the
25 subaccount for new loan applications during this fiscal

1 year.

2 Agenda Item 23 Consideration of Approval of the
3 Recycling Market Development Revolving Loan Program
4 Application For Barry Sandler Enterprises will be
5 presented by Barbara Van Gee.

6 MS. VAN GEE: Good afternoon Madam Chair and
7 Board members. Item number 23 is a request by Barry
8 Sandler Enterprises for a loan in the amount of \$500,000.
9 It's for the purchase of real estate. They are combining
10 the currently manufacture at two sites and this would be
11 combining the two into one location, consolidate.

12 As a result of this loan, diversion will increase
13 from 800 tons of textiles to a thousand tons annually.
14 The company is located in the LA County Zone and the loan
15 was approved by Loan Committee as presented without any
16 changes or conditions.

17 Staff recommends that the Board approve the loan
18 contained in resolution number 2001-130 to Barry Sandler
19 enterprises in the Amount of \$500,000.

20 Are there any questions?

21 CHAIRPERSON MOULTON-PATTERSON: Thank you.

22 Questions?

23 Seeing none.

24 BOARD MEMBER JONES: Madam Chair?

25 CHAIRPERSON MOULTON-PATTERSON: Mr. Jones.

1 BOARD MEMBER JONES: I'll move adoption of
2 Resolution 2001-130, Consideration of Approval of the
3 Recycling Market Development Revolving Loan Program
4 Application for Barry Sandler Enterprises for \$500,000.

5 CHAIRPERSON MOULTON-PATTERSON: Okay.

6 BOARD MEMBER MEDINA: Second.

7 CHAIRPERSON MOULTON-PATTERSON: Okay, we have a
8 motion by Mr. Jones seconded by Mr. Medina.

9 BOARD MEMBER JONES: Madam Chair, as the maker of
10 the motion can I ask our staff a question.

11 CHAIRPERSON MOULTON-PATTERSON: Sure.

12 BOARD MEMBER JONES: Don't we usually put the
13 loan amount in the resolution?

14 MS. VAN GEE: Yes, we do. Is it not in the
15 resolution?

16 BOARD MEMBER JONES: I don't know. I only got
17 half of the way I just didn't see it.

18 DEPUTY DIRECTOR WOHL: It's on the second page.

19 BOARD MEMBER JONES: I'm sorry. Okay, I just
20 wanted to make sure. I just didn't see it and I got
21 nervous. I don't want to give the bank away.

22 CHAIRPERSON MOULTON-PATTERSON: I appreciate it.
23 Okay, so we have a motion by Mr. Jones seconded by Mr.
24 Medina to approve Resolution 2001-130.

25 Please call the roll.

1 SECRETARY VILLA: Eaton?
2 BOARD MEMBER EATON: Aye.
3 SECRETARY VILLA: Jones?
4 BOARD MEMBER JONES: Aye.
5 SECRETARY VILLA: Medina?
6 BOARD MEMBER MEDINA: Aye.
7 SECRETARY VILLA: Paparian?
8 BOARD MEMBER PAPARIAN: Aye.
9 SECRETARY VILLA: Roberti?
10 Mouton-Patterson?
11 CHAIRPERSON MOULTON-PATTERSON: Aye.
12 Agenda Item 24.
13 Thank you.
14 DEPUTY DIRECTOR WOHL: Agenda Item 24,
15 Consideration of Approval of Contract for Annual Newsprint
16 Quality Standards Testing Laboratory Services Contract for
17 fiscal year 2000/2001, Contract Concept number 53.
18 The Board approved the scope of work for the
19 annual newsprint quality standards testing at its February
20 board meeting. Subsequently, an Invitation For Bid was
21 cents out to potential contractors and the successful
22 bidder is now being brought forward to the Board for award
23 of this contract.
24 The lowest bidder for the Board's newsprint
25 testing contract is Integrated Paper Services Inc. a

1 Wisconsin based corporation that provides independent
2 testing and research laboratory services on pulp and
3 paper. This contract is for \$15,000 for this year. It's
4 actually a multi, three year contract. I think it should
5 be noted that this price is approximately 60 percent lower
6 than in past bids and that may have something to do with
7 the with three year multi-year contract.

8 Staff recommends that the Board approve Option 1
9 and adopt resolution 2001-129.

10 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
11 Wohl.

12 Mr. Paparian.

13 BOARD MEMBER PAPARIAN: Madam Chair, I'll move
14 Resolution 2001-129, Consideration of Approval of Contract
15 For Annual Newsprint Quality Standards Testing Laboratory
16 Services Contract.

17 BOARD MEMBER MEDINA: Second.

18 CHAIRPERSON MOULTON-PATTERSON: Okay. We have a
19 motion by Mr. Paparian seconded by Mr. Medina to approve
20 Resolution 2001-129.

21 Please call the roll.

22 SECRETARY VILLA: Eaton?

23 BOARD MEMBER EATON: Aye.

24 SECRETARY VILLA: Jones?

25 Medina?

1 BOARD MEMBER MEDINA: Aye.

2 SECRETARY VILLA: Paparian?

3 BOARD MEMBER PAPARIAN: Aye.

4 SECRETARY VILLA: Roberti?

5 Moulton-Patterson?

6 CHAIRPERSON MOULTON-PATTERSON: Aye.

7 Okay, 25 is on consent, number 26.

8 DEPUTY DIRECTOR WOHL: Agenda Item 26 is

9 Discussion and Consideration of Findings and
10 Recommendations from the 2001 Conversion Technologies for
11 Municipal Residuals Form.

12 And Judy Friedman and Howard Levenson with will
13 present.

14 ORGANICS AND RESOURCE EFFICIENCY BRANCH MANAGER
15 FRIEDMAN: Thank you, Ms. Wohl.

16 First, I would like to reiterate the thanks
17 expressed by Ms. Bruce in her remarks yesterday to our
18 Board Members, Secretary Hickox, speakers, panelists,
19 sponsors and, of course, all the staff who supported and
20 participated in the forum. Everyone worked together and
21 the outcome appears to have been a success.

22 Before we get into the substance of the forum and
23 the results, I'd like to share with you that it was not
24 just our impression or assumption based on comments we
25 heard that the forum was successful, but also we have

1 analyzed the survey forms that participants filled out and
2 our analysis confirms that the event itself was a measured
3 success.

4 Measuring results of our efforts is something
5 that we've been concentrating on. And it's something that
6 you'll be hearing more about in the future.

7 I'd like to point out the handout that was just
8 passed out which is titled Forum Evaluation Average
9 Ranking. There's also copies available for the audience.

10 As you can see, we had six questions that we
11 asked on the survey form that was handed out in the packet
12 of materials that went to the participants. And those
13 questions are increase knowledge of convergent
14 technologies, provided encouraging environment to share
15 ideas, working groups were an effective mechanism for our
16 A, identifying barriers, B, developing strategies,
17 effective in identifying strategies for overcoming
18 barriers strategies likely to result in implementation of
19 technologies, and participants represented all
20 stakeholders.

21 And the survey asked the participants did you
22 agree, strongly agree, disagree. And if you can see the
23 bar chart shows that they range from agree to strongly
24 agree in all of the cases of those questions.

25 So, in other words, our stakeholders left the

1 forum with a better understanding of the technologies and
2 issues and felt it was an effective way to provide input.
3 They even have fairly high hopes of subsequent outcomes
4 and actions. On the back of this handout you'll see some
5 comments. These are randomly taken from the forms where
6 people filled out their own written comments. I invite
7 you to look at those at your leisure.

8 And with that, I thank you and everyone again who
9 participated in it. And I'd like to turn this over to
10 Howard Levenson who will take you through the results and
11 recommendations.

12 ORGANICS MATERIALS MANAGEMENT I SUPERVISOR

13 LEVENSON: Thank you Judy. Is this working now?

14 I can't hear myself. Madam Chair, Board
15 Members --

16 GENERAL COUNSEL TOBIAS: I think it works better
17 if you turn one off then the other one tends to go on.

18 ORGANICS MATERIALS MANAGEMENT I SUPERVISOR

19 LEVENSON: This item concerns findings and recommendations
20 from the 2001 Conversion Technologies Forum and I also
21 want to thank everyone and board members for your support
22 in funding this and all of your participation. And then
23 the staff members who participated. It was truly a
24 cross-divisional cross-office effort with about 35
25 additional staff working on this.

1 Just by way of background, quick background, as
2 you know organics make up 40 percent of what goes in the
3 landfills and paper makes up an additional 30 percent.
4 And while the composting and mulch industry has grown
5 significantly in the last decade, it's still only handling
6 about one-third of the organic materials that are
7 collected around the State.

8 This means that about 15 million tons of organics
9 plus an additional ten million tons of paper are going
10 into landfills as we speak. And there are millions more
11 tons of materials that possibly may go to landfills in the
12 future.

13 As phaseouts are implemented on the burning of
14 rice straw and other agricultural residues, and if we see
15 continued declines in the biomass energy industry and it's
16 use of woody feedstocks.

17 So given this the Board directed staff to
18 investigate the feasibility of noncombustion conversion
19 quote unquote "technologies" that use these kinds of
20 materials and potentially can convert them into energy
21 ethanol and other products. And I emphasize the
22 noncombustion aspect of this, because that distinction was
23 important in terms of getting participation from a wide
24 variety of stakeholders and their support for some of the
25 actions that we're going to discuss today.

1 The noncombustion technologies, in general, that
2 we discussed include hydrolysis, which is basically
3 fermenting materials to an ethanol or alcohol kind of
4 product; gasification, which is a thermal treatment of
5 materials that results in a gas that can be used to power
6 Turbines and produce energy; and anaerobic digestion,
7 which is basically biological decomposition of materials
8 into a gas that also can be used for energy.

9 There are no hydrolysis and gasification
10 facilities in California that use urban residuals that are
11 the focus of this forum, and there are several barriers to
12 their commercialization.

13 So that formed kind of the backdrop for the
14 forum. And our objectives at the forum were to build a
15 shared understanding of all the issues and concerns, to
16 solicit input from a wide range of stakeholders on the
17 various issues related to conversion technologies and to
18 develop a set of recommendations for your discussion and
19 consideration.

20 Besides the facilitators and note takers we had
21 approximately 120 attendees which was better than we were
22 hoping for, so we were very pleased with the
23 participation. I think most of you know we used a pretty
24 ambitious model of multiple simultaneous working groups
25 and almost instantaneous feedback, summary feedback.

1 We had 16 working groups on day one that
2 discussed barriers. And our various facilitators from
3 around the Board summarized notes from those working
4 groups and then at night we summarized the barriers notes
5 into a list of barriers. And that is what forms the basis
6 for attachment 1B in your agenda item.

7 It's basically eight categories of barriers and
8 then a variety of the notes or almost all the notes from
9 those working group discussions and we can certainly go
10 through those if you have questions about any of the notes
11 or comments.

12 The basic eight barriers were lack of cohesive
13 political leadership and support; several statutory
14 constraints; regulatory constraints; lack of funding;
15 economics and market issues; public perception and
16 understanding; lack of data, and concerns about feedstock
17 access.

18 So those eight categories were then used to on
19 day two working groups to discuss recommendations. We
20 started with those eight barriers. We had ten working
21 groups. One devoted to each barrier and then two kind of
22 open groups where some were free to discuss anything they
23 wanted.

24 They worked on recommendations, and at lunch we
25 summarized all the major recommendations from those

1 working groups, and came up with 21 major recommendations.
2 And that forms Attachment 1A, which lists by barrier each
3 of the major recommendations, our quick sense of what it
4 would take to implement those in terms of timeframe, and a
5 recommendation on each one of those.

6 But rather than go through those 21
7 recommendations one by one. Many of them are related, so
8 organized those into five major groups of activities that
9 we're recommending the Board take action on.

10 Those five groups are presented to you in Option
11 1, which is on pages one and two of your agenda item. And
12 then they are discussed in more detail on pages four to
13 five, where we give you a little bit of our sense of what
14 it would take to implement these five groups of
15 recommendations and the resource requirements required.
16 And I'd like to go through those five groups briefly
17 before I conclude the item.

18 The first group is to work on establishing a
19 formal interagency commission and the external advisory
20 group. To do this we basically would work with -- let me
21 back track for a second. As some of you know, we've
22 participated on an informal interagency task force for the
23 last year and a half or so with Resources Agency, Trade
24 and Commerce, Energy Commission Department of Forestry,
25 Air Board and others on biomass related issues.

1 We would work with those members to develop an
2 interagency commission proposal that could be considered
3 either by this board or the Legislature or whoever would
4 be appropriate.

5 We also would work with external stakeholders,
6 those who attended the forum and others who, for whatever
7 reason, were unable to the attend to develop a proposal
8 regarding external advisory group conversion technology
9 issues. And we would bring that back to the Board for
10 consideration.

11 We can implement these initial steps with
12 existing staff. An external advisory board or committee
13 might need some funding for travel and logistics, but that
14 would be part of any proposal that we'd bring back to you
15 at a subsequent date.

16 The second group of recommendations is to begin
17 planning some follow-up workshops an symposia targeting
18 county officials -- county and city officials and the
19 general public. This was a major theme is that we needed
20 to have more educational efforts at the local level. And
21 we would initiate this by conducting a survey of local
22 officials to ascertain exactly where their information
23 needs are and then we would begin working to set up a few
24 of these workshops.

25 We've had some interest already from SWANA. I

1 attended right after the May 3rd and 4th forum, I went to
2 SWANA the following week and we had a panel on conversion
3 technologies. And SWANA was interested in having
4 either -- we didn't talk details, but some kind of
5 workshop or symposium at their annual conference next year
6 in Long Beach on this issue, so that would be one venue
7 and one potential partner.

8 Clearly, we can conduct a survey and begin
9 initial discussions. We may need some follow-up funding
10 for workshops depending on their scope and we would have
11 to come back to you in the form of proposals via the
12 contract concepts cycle for that kind of funding.

13 The third group of recommendations is to develop
14 a budget change proposal that would seek general fund
15 funds for a variety of activities, one would be a grant
16 program for small scale demonstration projects with the
17 focus on rural areas and tribal areas.

18 The second area would be for the lifecycle
19 assessments that compare the environmental and economic
20 costs and benefits of these technologies versus other
21 management options including composting and landfilling,
22 and the money funding for assessments of funding -- or
23 excuse me, the policy incentives, financial incentives,
24 feedstock availability and product markets. So that is
25 something that staff has already begun work on, in terms

1 of a BCP for the next fiscal year cycle.

2 The fourth group of recommendations is to work
3 with State and federal agencies to identify and tap into
4 existing funding programs. This is fairly easy for us to
5 do. We can initiate discussions with Trade and Commerce,
6 with the Federal Biomass Research and Development Council
7 and try and ascertain what funds might be available for
8 projects in California.

9 As a quick step, we can certainly publicize these
10 on our web site, and we can also enter into discussions
11 with potential applicants to see if they want our help in
12 developing grant applications.

13 Speaking of the web site issue, I'll just mention
14 that we will have a new web site on conversion and biomass
15 issues up and running in about two weeks and it will
16 include all of the results of this forum including the
17 agenda.

18 The last group, work group five, is to work on
19 streamline and permitting processes and also to develop
20 environmental management system guidelines for companies
21 that are attempting to site in California. A major theme
22 at the conference was the lack of coordination on
23 regulatory aspects and the need for streamlining in
24 permitting.

25 It's no Surprise to you that this is a complex

1 issue and is not one we can just tackle head on right
2 away, but at least as a small scale step, staff would
3 propose that when we have a real project applicant, one
4 who is working with the local jurisdiction, they've
5 identified a site, and they're really ready to go through
6 the permitting process, that we establish some kind of
7 interagency red team, if you will, to assist them in
8 getting through the regulatory process at the State level.
9 And this could be a model for subsequent streamlining
10 proposals if the Board wishes to follow that.

11 We'd also initiate discussions with CalEPA about
12 developing information and guidelines on their
13 environmental management systems project and how that
14 might apply to project applicants.

15 So those are the five basic areas. These are
16 based entirely on those form recommendations that were
17 consensus in nature. They represent initial steps that we
18 can take to promote the potential development of these
19 kinds of technologies in California. And existing staff
20 can begin working on all of them. Although, as I've
21 mentioned in a couple of cases, there may be need for some
22 follow-up funding.

23 We would provide the Board with periodic updates,
24 solicit your input on different workplans, and, of course,
25 come back to you with agenda an item for consideration

1 when that's appropriate.

2 I also want to point out that there are several
3 recommendations on Attachment 1A that are not included in
4 these five groups of recommendations, in particular, the
5 numbers four, five, ten and 13.

6 These all require statutory changes and there was
7 not a consensus of opinion on several of them or they were
8 outside the realm of the forum objectives on the others.
9 For example, Recommendation number 4 on Attachment 1A
10 concerns the diversion credits issue for transformation
11 facilities. And there really were two camps on this at
12 the forum, as you might expect. There was no consensus.
13 So, at this time, we don't have a recommendation on that
14 although we're certainly willing to do more work on that
15 at your direction.

16 So in closing, I'd like to recommend that you
17 approve Option 1 and adopt revised resolution number
18 2001-134, which essentially directs us to begin working in
19 the five areas that I've outlined.

20 I'd be happy to answer any questions.

21 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
22 Levenson. And I think you heard from all of us what an
23 outstanding forum it was. And I really appreciate the
24 quick turn around on all the information. That was great.

25 We do have a speaker's slip, would you like to

1 speak before, Mr. Paparian, and anyone else, before I open
2 it up to the speaker.

3 BOARD MEMBER PAPARIAN: Yeah, I'll go head. And
4 I'll be ready to propose the resolution at the proper
5 moment but I wanted to suggest some changes to the
6 resolution. Hopefully, they'll be considered friendly
7 changes.

8 In point A on establishing a formal interagency
9 commission. The word commission in some cases has
10 connotations, that I don't think you necessarily mean. I
11 think usually we have interagency working groups, rather
12 than interagency commissions. So I would suggest changing
13 that to the working group.

14 On Item C, I don't think we should limit
15 ourselves to the general fund. I think we should just
16 take out the term general fund and have seeking support.
17 For example, the Energy Commission I know has some special
18 funds that are not general funds. I don't know if it's
19 possible to tap into those, but it may be as we find out
20 more about what's available.

21 BOARD MEMBER JONES: So maybe just say general
22 fund or other available funds.

23 BOARD MEMBER PAPARIAN: I think just seeking
24 support for a grant program, just take out the word
25 general fund.

1 DEPUTY DIRECTOR WOHL: Even then the budget
2 change proposal. You're generalizing it.

3 BOARD MEMBER PAPARIAN: Yeah, I'm generalizing
4 it. I think general fund is one possibility, although
5 probably not this year, but there may be other funds
6 available.

7 On Item E setting up the streamline permitting
8 process. I have a little trouble with jumping out and
9 setting up that process. I think that the background that
10 we had was more of assisting applicants in the permitting
11 process rather than major changes to the permitting
12 process. So I would suggest working with CalEPA to assist
13 applicants in the permitting process.

14 ORGANICS MATERIALS MANAGEMENT I SUPERVISOR
15 LEVENSON: Those are fine.

16 BOARD MEMBER PAPARIAN: Okay.

17 CHAIRPERSON MOULTON-PATTERSON: Good suggestions.
18 Mr. Medina.

19 BOARD MEMBER MEDINA: No, I just wanted to
20 comment that staff did an excellent job of not only
21 capturing, but also reporting the outcome of the
22 conference, and that's equally important. There are a lot
23 of regular conferences where you never really receive the
24 outcome of the conference, and you've done an excellent
25 job here.

1 CHAIRPERSON MOULTON-PATTERSON: Certainly.

2 Thank you.

3 ORGANICS MATERIALS MANAGEMENT I SUPERVISOR

4 LEVENSON: I want to just also mention who's not at the
5 table who deserves, you know, equal credit from all of us
6 and a lot of the work.

7 Thanks, Fernando.

8 CHAIRPERSON MOULTON-PATTERSON: Thank you,
9 Fernando. You all did a great job.

10 Okay, with that, we'll call on Sean Edgar.

11 MR. EDGAR: Madam Chair and Board Members, thank
12 you. Sean Edgar on behalf of California Refuse and
13 Renewables Council. Kudos to staff for putting together a
14 tremendous effort there, and we're please to be able to
15 fully participate. I myself was able to participate on
16 the reaction panel, which I was assured, despite my
17 Berkeley past was not labeled reactionary.

18 (Laughter.)

19 CHAIRPERSON MOULTON-PATTERSON: I'm glad to hear
20 that.

21 MR. EDGAR: I was very pleased about that. Some
22 of our members did attend, our private independent
23 haulers, and they were very impressed. As you're aware,
24 our private independent haulers and recyclers are not
25 necessarily the folks in the interest who own a lot of

1 landfill capacity or have a lot interest in landfill
2 capacity.

3 As a matter of fact, a lot of our focus in
4 developing our innovative recycling programs over the
5 years is precisely because they don't own the landfill.
6 So we were very pleased to be able to look into this new
7 technology. And as Mr. Jones indicated, use the word
8 black box. A lot of our guys are skeptical.

9 We've seen a lot of black boxes over the years,
10 as we have a lot of skeptics out there. And we realize
11 also that this looks toward the energy prices and as we
12 look toward creative solutions on the energy crisis, a lot
13 of our guys looked at different black boxes. And they
14 said well gee, you know, 12 years ago when we had a
15 garbage crisis we don't recall a lot of the same barriers
16 that were the outcome that existed at that time and have
17 always existed and the ability of the industry to main
18 resilient to go to a bank with a sound business plan, to
19 be table to build a facility.

20 All of those challenges we were pleased to see
21 that the workshop, and, you know, seminar was able to
22 flesh out a lot of the concerns. A lot of the folks who
23 have the block boxes aren't necessarily familiar with
24 doing business here in California, and so we're pleased to
25 see that a lot of the barriers got out there on the table.

1 And there are some very legitimate barriers, and Mr. Jones
2 mentioned earlier about the AB 1220 process and what the
3 interplay Between the multiple permitting agencies in
4 there.

5 As part of our working group, at the seminar, I
6 did although Scott Walker wants to take credit for, we
7 have a new title okay, which is a Multimedia Permit Czar.
8 I take credit for that when we see that in regulation or
9 in statute that actually came from me first okay.

10 So part of the Multi Media Permit Czar concept
11 was part of the outcome, and that's something we've talked
12 about for a long time and hopefully this exercise may help
13 us get a little bit closer toward that.

14 In general, we saw technologies that appeared to
15 be some viability in their, beyond -- you know, we have a
16 challenging pointing to a facility actually doing this
17 type of thing, but we have an indication that the
18 technology is viable and particularly the aspect of
19 co-location of MURFs. Our private independent companies
20 operate approximately 100 material recovery facility
21 transfer stations. And many of the members who were there
22 said, you know, if we can right size this technology and
23 co-locate it at our MURFs, you know, some of the
24 expectations were that you'd needs a 4,000 ton a day or
25 5,000 ton a day MURF in order to make this thing, which

1 may not be feasible. We have some facilities that big.
2 However, right sizing the technology is going to be
3 something as we look forward to the evolving efforts.

4 With regard to props, for those of you who may
5 not know Mr. Paparian was able to do nonburn
6 transformation exercise there, which was very interesting,
7 illustrating that we're talking about nonburning
8 technologies here. I had my own short little prop which
9 involved the existing solid waste management
10 infrastructure over here, the new technologies that we're
11 going to overlay on top. And if we're not careful, we'll
12 end up doing CPR, which is what we don't want to do and
13 that's why the Board's efforts to go forward and flush out
14 a lot of these issues are fully supported.

15 We do support the inclusion of this effort in the
16 Board's strategic plan. The budget change proposals that
17 staff has outlined, I think, are very reasonable and
18 appropriate. And we see this as the next great frontier
19 to move solid waste management forward and understanding
20 that a lot of our private independent players have always
21 been the guys over the years that put their money where
22 their mouth is and they are very interested and I want to
23 be able to relay that to the Board today.

24 So thank you for your time.

25 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.

1 Edgar.

2 Mr. Paparian.

3 BOARD MEMBER PAPARIAN: Yes, Madam Chair. I'd
4 like to move Resolution 2001-134, Revised, with the
5 changes that I discussed a few minutes ago.

6 BOARD MEMBER MEDINA: Second.

7 CHAIRPERSON MOULTON-PATTERSON: We have a motion
8 by Mr. Paparian seconded by Mr. Medina.

9 Please call the roll.

10 SECRETARY VILLA: Eaton?

11 BOARD MEMBER EATON: The motion as revised,
12 correct?

13 CHAIRPERSON MOULTON-PATTERSON: As revised.

14 BOARD MEMBER EATON: Aye.

15 SECRETARY VILLA: Jones?

16 BOARD MEMBER JONES: Aye.

17 SECRETARY VILLA: Medina.

18 BOARD MEMBER MEDINA: Aye.

19 SECRETARY VILLA: Paparian?

20 BOARD MEMBER PAPARIAN: Aye.

21 SECRETARY VILLA: Roberti?

22 Moulton-Patterson?

23 CHAIRPERSON MOULTON-PATTERSON: Aye.

24 Thank you very much.

25 Unless there's objection from my colleagues, I'd

1 like to finish these next two items before we break for
2 lunch or we leave for lunch.

3 CHAIRPERSON MOULTON-PATTERSON: Two more items.
4 Number 29 was on consent. Thirty, Ms. Packard.

5 ASSISTANT DIRECTOR PACKARD: Good afternoon,
6 Madam Chair and Board Members. Rubia Packard with the
7 Policy office. I am here to present Agenda Item 30,
8 Consideration of Approval of Contractor for the Universal
9 Waste Management Options and Education Contract, Fiscal
10 Year 2000/2001 Contract Concept Number 8.

11 This agenda item requests the Board to consider
12 the approval to contract with approval of -- a contract
13 with MGT of America Incorporated for \$50,000 to perform
14 the tasks outlined in the scope of work that is attached
15 to the agenda item.

16 This one-year contract will be used to evaluate
17 the existing household hazardous waste infrastructure that
18 currently exists in California to manage universal waste.

19 Under this contract we will be quantifying the
20 types and amounts of universal waste, generated by
21 households in California identifying current household
22 hazardous waste management option available and presenting
23 findings on the generation and collection infrastructure
24 and recommending possible improvements or enhancements or
25 just recommendations to effectively address the issues of

1 managing universal waste in California.

2 Options for the Board to consider are: Awarding
3 the contract for \$50,000 for MGT to fulfill the Scope of
4 Work for the Universal Waste options and Education
5 Program; or not awarding the contract.

6 And staff is recommending Options 1, award the
7 contract for \$50,000 to MGT in adopting resolution
8 2001-131.

9 And I just wanted to mention one other thing.
10 One of the reasons that we chose this particular
11 contractor is because the Board had awarded a previous
12 contract to work on electronic waste to this contractor.
13 And we did have quite a few discussions with MGT about
14 being able to use, because the CRT portion of The Ewaste
15 waste stream is part -- or will soon be part of the
16 universal waste waste stream.

17 We felt that there were some opportunities there
18 to leverage the money and utilize some information from
19 that study in this study. So that was one of the
20 additional reasons that we selected this contractor.

21 And that's all I have, if you have any questions.

22 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
23 Packard.

24 Question from the Board?

25 BOARD MEMBER JONES: Madam Chair,

1 CHAIRPERSON MOULTON-PATTERSON: Mr. Jones?

2 BOARD MEMBER JONES: On the scope, I had asked
3 Rubia -- they changed it, I think, and revised it.

4 ASSISTANT DIRECTOR PACKARD: Yes. The scope of
5 work is revised to reflect some clarifications and some
6 questions. You do have the revised scope of work on both
7 items.

8 BOARD MEMBER JONES: Right, absolutely. One of
9 the issues was they wanted to see how many household
10 hazardous waste facilities exist. The real question isn't
11 how many exist, but how many people in the community use
12 them.

13 I mean this Board cannot be -- they better have
14 their eyes open to idea that you build a household
15 hazardous waste facility, you may only see four percent to
16 seven percent of the whole population using it. That
17 means there are somewhere between 93 and 96 percent that
18 don't use it.

19 So if you're going to deal with an Ewaste or
20 you're going to deal with universal waste, you need to
21 understand that it may not be that infrastructure that is
22 going to really be where this stuff gets controlled. Most
23 of the stuff is going to get thrown in the middle of a
24 bin. So we have to be pretty aware of that. And I don't
25 know if -- I mean, I just want to make sure that the Board

1 members understand that.

2 I mean, if you look at household hazardous waste
3 venues, they are very, very expensive, but they're not
4 used by a huge part of the population, so if you want to
5 manage this waste stream, that has to be part of the
6 scope, which it's included. And I appreciate it, because
7 that's going to let you know how big the holes are and the
8 holes are going to be pretty big.

9 ASSISTANT DIRECTOR PACKARD: One of the
10 additional things that the study will address is
11 estimating once we have the information on what the waste
12 stream actually consists of and the amounts and what
13 household hazardous waste infrastructure we have right now
14 it's what would be required in terms of dollars. And
15 they're anticipated to be very fairly huge to bring the
16 household hazardous waste infrastructure up to a point
17 where it can handle the entire universal waste stream,
18 because that's kind of the expectation that the Department
19 of Toxic Substances Control had in promulgating their
20 regulations is household hazardous waste collection events
21 can take of it and we want to demonstration to them that
22 no they can't. They're not equipped now, so we need to
23 think about some other options, and this is what it would
24 cost to handle it solely in that manner.

25 CHAIRPERSON MOULTON-PATTERSON: Thank you.

1 BOARD MEMBER JONES: That's makes sense. Can I a
2 ask one other question, Madam Chair.

3 It's not so much on universal waste, but it's
4 something that I know Mr. Paparian is very involved with
5 in stuff. Department of Toxics has said that CRTs are
6 hazardous because there's lead in them, and I understand
7 that there's lead in them. But the way that they do their
8 T-clip test is they grind the material. You know, You
9 grind a piece of wood that's Got lead on it, because the
10 wood will break down in a landfill. So it's reasonable.

11 How are they coming up with the test on the CRTs?
12 Are they grinding it, because that's not -- I mean, we
13 need to, I think, have a discussion, at some point. CRTs
14 are going into lined landfills. They implode when they
15 break. They shatter. But I'd liked to know if DTSC, when
16 they did their testing ground those tubes?

17 Because if they ground them to make sure that the
18 lead was exposed, it's not really reflective of what that
19 looks like when it's disposed of. And I think we need to
20 know that because all of our landfills and all of our
21 transfer stations are going to be in violation of their
22 permits, because of that exclusion.

23 BOARD MEMBER PAPARIAN: Can I answer that?

24 BOARD MEMBER JONES: And, you know, and I think
25 we need to know that and I think we need to figure out how

1 we're going to manage that thing. But I think just, you
2 know, it just kind of interests me that, you know, how
3 they did that test.

4 BOARD MEMBER PAPARIAN: I think we're planning
5 on, perhaps in June or July, having an information item
6 relating to some of these electronics waste issues and I
7 think that would be a good one to explore a little bit.
8 But let me tell you my understanding.

9 It's not DTSC's tests. It's US EPA's tests. And
10 they have, the US EPA determined that, monitors are a
11 hazardous waste based on their testing protocols. They
12 have a household exemption. In other words, if you're not
13 a household anywhere in the country, it's a hazardous
14 waste. If you're a household, your exempt.

15 California doesn't have that household exemption
16 that you US EPA allows. Therefore, the Department of
17 Toxics has determined that since we don't have that
18 household exemption, the household monitors, like the
19 nonhousehold monitors, are a hazardous waste.

20 Now, the lead in the monitors is not just in the
21 monitor screen. There are several places in the monitor
22 where there is lead including essentially the seal between
23 the front of the monitor and the back of the monitor. And
24 it's the red in that seal that I understand to be of most
25 concern to the US EPA. But, again, if you want to get

1 into some of the more technical aspects, you know,

2 that's -- you're about to exhaust my knowledge.

3 We may want to include that in the information
4 item when it comes forward.

5 BOARD MEMBER JONES: And all I'm trying to get at
6 is, you know, that if you know that there's lead in it,
7 that's fine. They do a test, and if that test can't be
8 replicated on its own, you know, by natural means and they
9 go to another standard that doesn't really happen in
10 landfill, what we've done -- and I don't have a problem
11 with that, but I want us to be able to connect the dots
12 here.

13 We've made every one of these things hazardous.
14 We have no infrastructure to collect it. We're going to
15 have every permitted facility in the state in violation.
16 So, at some point, we need to think that through to figure
17 out how we're going to put these pieces together, because
18 we don't have a pep policy that would allow an LEA to go
19 ahead and issue a mechanism that these people can do it
20 while they're going through the permit provision process.

21 So I just want us to be aware of that, you know,
22 because, I mean, we have an obligation to figure out how
23 we're going to deal with it, because once we start
24 stockpiling it, emergency rules or not emergency rules,
25 once we start stockpiling these at either landfills or

1 transfer stations, we're going to be in violation of
2 another law, which is the stockpiling of hazardous for
3 over 60 days or 90 days I think.

4 So we've got, you know, this is something that is
5 very important. And I think we've got to stay above
6 their -- or try to get up to the curve on this thing or
7 maybe get ahead of the curve to figure out how we're going
8 to deal with every facility in the State of California as
9 well as every hauler and recycler, because clearly they're
10 all going to be out of violation. They're all going to be
11 in violation.

12 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
13 Jones.

14 Mr. Paparian, any other comments?

15 Okay we have a motion?

16 BOARD MEMBER JONES: Madam Chair.

17 CHAIRPERSON MOULTON-PATTERSON: Mr. Jones.

18 BOARD MEMBER JONES: Which one is this, 30?

19 CHAIRPERSON MOULTON-PATTERSON: Resolution
20 2001-131.

21 BOARD MEMBER JONES: I'LL move adoption of
22 resolution 2001-131.

23 CHAIRPERSON MOULTON-PATTERSON: I'll second it.
24 We have a motion by Mr. Jones seconded By
25 Moulton-Patterson to Approve Resolution 2001-131.

1 Please call the roll.

2 SECRETARY VILLA: Eaton?

3 BOARD MEMBER EATON: Aye.

4 SECRETARY VILLA: Jones?

5 BOARD MEMBER JONES: Aye.

6 SECRETARY VILLA: Medina?

7 BOARD MEMBER MEDINA: Aye.

8 SECRETARY VILLA: Paparlian?

9 BOARD MEMBER PAPARIAN: Aye.

10 SECRETARY VILLA: Roberti?

11 Moulton-Patterson?

12 CHAIRPERSON MOULTON-PATTERSON: Aye.

13 Thank you. Thirty-one was continued to June.

14 And 32, discussion of pending legislation

15 potentially affecting the programs and policies.

16 Mr. Miller.

17 What did I say?

18 BOARD MEMBER JONES: That will come later.

19 (Laughter.)

20 CHAIRPERSON MOULTON-PATTERSON: Sorry, Mr.

21 Miiller.

22 ASSISTANT DIRECTOR MIILLER: Thank you, Madam

23 Chair and members. My name is Michael Miiller, Assistant

24 Director of Legislative Affairs Office. Just monthly

25 items just to bring you up to date on what's happening In

1 legislation and give an opportunity to talk about anything
2 you want to ask me or just basically what's going on in
3 the Legislature. We're currently tracking 154 bills that
4 may have an impact on the Board policies.

5 Forty-three of those bills are identified as
6 priority one. That information is available on the web
7 site. We have it for you. It's updated for you weekly.

8 A couple bills of interest. We're sponsoring AB
9 1187. That bill was heard today by Assembly
10 Appropriations Committee and I understand was approved on
11 consent.

12 Yesterday, you heard a discussion on the Mariposa
13 County composting facility project. AB 1400 Cogdil is a
14 bill that appropriates \$1.8 million to that project. And
15 that bill is currently in the Assembly Appropriations
16 Committee.

17 Last week, you asked us to take a look at HR 983
18 Bono, it's a bill going through Congress. That bill would
19 increase the tax credit from one half cent to one and a
20 half cent per kilowatt hour for landfill gas to energy.

21 As I understand it, that bill is currently in the
22 House Policy Committee. It will probably be combined with
23 an overall bigger picture energy proposal tax proposal.
24 We don't know what that's going to be, but we will be
25 getting information before you as we have that.

1 Then SB 373 is a bill that many of you have
2 expressed interest in. This is Senator Torlakson's bill
3 to increase diversion in schools and increase
4 environmental education. That bill is in the Senate
5 Appropriations Committee. Senator Torlakson has, I know,
6 spoke with the Secretary, attended a listening session and
7 is very interested in working with the Board to get that
8 bill moving.

9 I think that is the big Items that we have. Is
10 there any other questions.

11 CHAIRPERSON MOULTON-PATTERSON: Mr. Eaton.

12 BOARD MEMBER EATON: With regard to the Simitian
13 bill, did you testify in that bill?

14 ASSISTANT DIRECTOR MIILLER: No, we did not.

15 BOARD MEMBER EATON: Did we have anyone testify
16 on that bill?

17 ASSISTANT DIRECTOR MIILLER: No, Simitian
18 presented the bill and he had discussions in natural
19 resources with the minority consultant, and the bills
20 passed unanimously.

21 BOARD MEMBER EATON: Because my understanding was
22 is that the minority party took out the important part of
23 that bill, which was the completeness in that's. It's my
24 understanding that Senator Roberti and Mr. Paparian on
25 occasion have spoken about completeness. This is a really

1 important issue with regard to the completeness.

2 This is what allows us to be able to determine
3 whether or not we can hear a permit, and the fact that we
4 get jammed on a permit. And I think something of that
5 nature, next time, ought to be brought to the attention of
6 the Board Members, so that we can go in and explain why,
7 when you get criticized for not being able to act on a
8 permit, because we're jammed. That's a very important
9 part.

10 And I'd like to see, if we can develop an
11 alternative bill just on the issue of completeness. And
12 the fact that the minority party in the assembly can
13 defeat a measure, when we get criticized in the audit
14 report for not being able to do that, is just beyond me.

15 So I think that that completeness, at least,
16 that's been an issue amongst all of us. Now, whether or
17 not you agree we should have additional time to be able to
18 determine whether or not. And the fact that none of us
19 had that there, at least, I think some of us would have
20 been in town or would been able to present that and help
21 the Assemblyman present that bill and explain why it was
22 important. And it shouldn't be left up to the
23 Assemblymember to do that, because he or she is doing us a
24 favor by carrying that measure.

25 So could we do that, see if we can't get another

1 bill to take that measure and move it forward, because if
2 you realize that's going to help us in the permit process
3 of which the Auditor criticized us for.

4 ASSISTANT DIRECTOR MILLER: Right. The minority
5 consultant's concern was that he felt that the bill would
6 create a loophole that the Board would somehow used to
7 delay permits or deny permits. And Mr. Simitian did a
8 wonderful job in expressing that that wasn't our intent,
9 and that wasn't what the bill would do, and because of the
10 omnibus noncontroversial nature of the bill, he decided to
11 take that amendment out, but I really appreciate what
12 you're saying and we'll follow up on that.

13 CHAIRPERSON MOULTON-PATTERSON: Thank, you Mr.
14 Eaton.

15 Any other questions?

16 Thank you Mr. Miiller.

17 I see no final public comment slips.

18 And before I adjourn the meeting, I would like to
19 publicly say thank you to Ms. Bruce for filling in for
20 five months as our Interim Executive Director. She's done
21 an outstanding job and under a lot of obstacles, physical
22 and others. And I just want to say thank you to you, Ms.
23 Bruce.

24 And as you all know, Mark Leary will be our
25 Interim Executive Director starting June 1st. So thank

1 you very, very much.

2 (Applause.)

3 CHAIRPERSON MOULTON-PATTERSON: And with that,
4 the meeting is adjourned.

5 CHIEF DEPUTY DIRECTOR FISH: We also didn't
6 realize you were going to make an announcement. But from
7 executive staff, we also want to thank Ms. Bruce for the
8 time that she has spent with us. She has been invaluable
9 and we appreciate her immensely and we're going to miss
10 you.

11 INTERIM EXECUTIVE DIRECTOR BRUCE: Thank you.

12 CHAIRPERSON MOULTON-PATTERSON: Thank you.

13 (Applause.)

14 CHAIRPERSON MOULTON-PATTERSON: Okay. The
15 meeting is adjourned.

16 Thank you all very much.

17 (Thereupon the California Integrated Waste
18 Management Board meeting was adjourned at
19 12:55 p.m.)

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1 CERTIFICATE OF REPORTER

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
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7 meeting was reported in shorthand by me, James F. Peters,
8 a Certified Shorthand Reporter of the State of California,
9 and thereafter transcribed into typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said meeting nor in any
12 way interested in the outcome of said meeting.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 7th day of June, 2001.

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